

I think broadband regulation should follow these principles--

01) the provider of physical media/connection to the end user should be regulated as a monopoly.

02) the monopoly must provide their connection to all comers for the same cost.

03) monopoly regulation could not be lifted in any local market unless a minimum of 3 monopolies served the same market.

A concrete example. I really have only 1 choice for broadband-- cable via comcast. they do not feel any pricing pressure on their broadband service; in fact, I pay more for it than another customer would because I do not subscribe to cable TV service. under the principles above, they could enjoy a regulated return as the provider of the cable, but others such as an unregulated Comcast subsidiary, or broadband providers like Time Warner, SBC, nii, etc. could compete to offer me broadband service over the cable.

the current regulatory regime for phone companies is closer to my principles in that it has allowed competitive service providers to spring up. the separation between the utility and the service provider is missing. without that and an effective "all comers" provision, removing the phone company from regulation gives them a choke hold on the access point that everyone must use to serve the customer.

At the same time, I do believe the phone companies are treated unfairly--they are regulated but cable is not. either all monopolies should be regulated, or none should.

i believe monopolies naturally should be regulated. the trick is regulating just those components which make or establish the monopoly and nothing more.